

Virginia's Electric Cooperatives

Virginia Offshore Wind Development Authority
October 5, 2011 Meeting

- # America's Electric Cooperative Network
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- Legend**
- Distribution System ID
 - Generation and Transmission System ID
 - Interstate System Boundary (not subject to G&T system ID)
 - G&T Distribution System ID
 - ★ State Capital
 - Distribution System Boundary
 - State Boundary
 - G&T Distribution Boundary
- CARTOGRAPHIC INFORMATION**
Map based on Alaska Equal Area Projection
Spheroid: Everest, 2011 and 2012
Scale: 1:10,000,000
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- DISCLAIMER**
This map is compiled from GIS data and map images provided by the electric cooperative Distribution System, Generation and Transmission System, and Distribution System. These data are not subject to the same accuracy standards as the data used in the map. The map is not intended to be used for any purpose other than general informational purposes.
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- National Rural Electric Cooperative Association**
A Technet Group Company
- January 2014

Virginia's Electric Cooperatives

Today there are 13 Electric Distribution Cooperatives in Virginia:

- ♦ A&N Electric Cooperative
- ♦ BARC Electric Cooperative
- ♦ Central Virginia Electric Cooperative*
- ♦ Community Electric Cooperative
- ♦ Craig-Botetourt Electric Cooperative*
- ♦ Mecklenburg Electric Cooperative
- ♦ Northern Neck Electric Cooperative
- ♦ Northern Virginia Electric Cooperative*
- ♦ Powell Valley Electric Cooperative*
- ♦ Prince George Electric Cooperative
- ♦ Rappahannock Electric Cooperative
- ♦ Shenandoah Valley Electric Cooperative
- ♦ Southside Electric Cooperative

...and 1 Wholesale Generation and Transmission Cooperative:

- ♦ Old Dominion Electric Cooperative (ODEC)

* These four distribution cooperatives manage their own wholesale power supply requirements – the other nine distribution cooperatives receive their wholesale power supply requirements from ODEC

Virginia's Electric Distribution Cooperatives

- **The Cooperatives are not-for-profit, cost-based organizations owned by the Members they serve**
- **Virginia's Cooperatives serve:**
 - ♦ **Approximately 1/3 of the land mass of Virginia**
 - ♦ **All or parts of 73 of Virginia's 95 counties**
 - ♦ **Over 520,000 connections... or about 1.2 million consumers**
- **Virginia's Cooperatives are predominately residential – about 90% on average**
- **Over the past 3 years, 3 Cooperatives have acquired service territory from investor-owned utilities in Virginia**

Virginia's Electric Distribution Cooperatives

12 of the 13 Cooperatives' retail rates are regulated by the Virginia State Corporation Commission (SCC)*

- **Traditional Cost of Service Ratemaking applies**
- **Special Rates and Programs**
 - ◆ **Prepaid Metering**
 - ◆ **Renewable Energy Tariff**
 - ◆ **Adjustments:**
 - **Rate adjustment of less than 5%, increase or decrease, in any three year period**
 - **Terms and Conditions adjustment**
 - **Rate adjustment for system fixed cost recovery**
 - **Rate adjustment clauses for peak-shaving program costs and environmental compliance costs**
- **Statutory IRP requirements and voluntary RPS incentives for IOU's do not apply**

* Powell Valley is under the Tennessee Valley Authority (TVA)

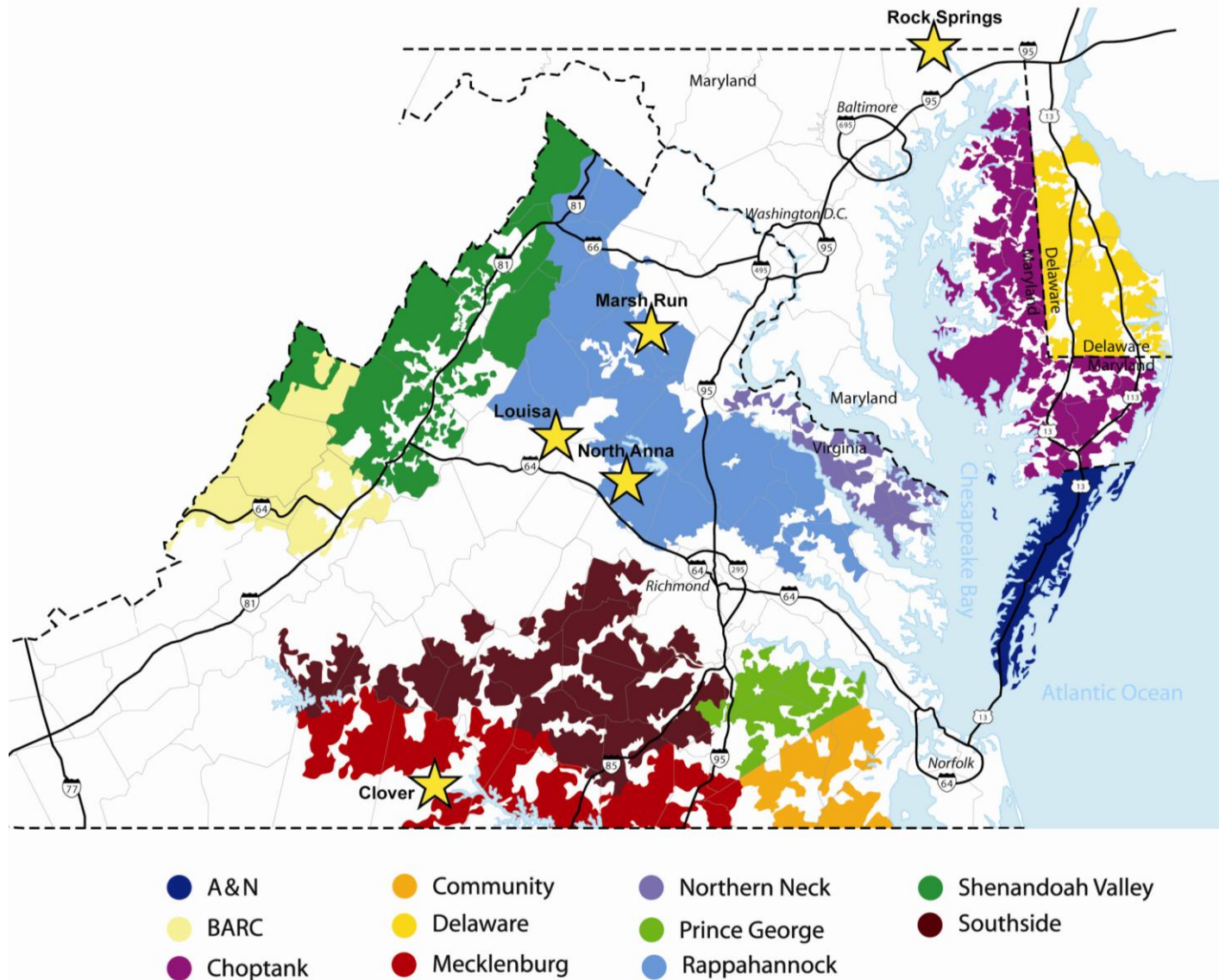
ODEC

- **A not-for-profit, wholesale generation and transmission (G&T) cooperative owned by its 11 Member Distribution Cooperatives (9 in Virginia, 1 in Maryland and 1 in Delaware)**
- **ODEC's wholesale rates are regulated by the Federal Energy Regulatory Commission (FERC) in accordance with a filed rate tariff and formula**
 - ♦ **Rates are cost-based**
 - ♦ **Rates and rate changes are approved by ODEC's Board of Directors**
- **ODEC's Board of Directors is comprised of two directors from each Member Distribution Cooperative**
- **ODEC owns and owns/operates generation facilities in Virginia and Maryland and is subject to applicable state and federal laws and regulations... and is subject to required SCC approval (CPCN) for construction of any new, major generation facilities in Virginia**
- **ODEC is a Securities and Exchange Commission Registrant**

ODEC By the Numbers

Number of Members	11
Member Location	VA, MD and DE
Number of Retail Accounts	~ 550,000
Number of Consumers	~1.2 million
Peak Demand	~2,600 MW
Owned Generation	~2,000 MW
Contracted Renewable Resources	200+ MW
Annual Average Energy Sales	~12,000,000 MWh
Total Assets	~\$1.5 billion
Credit Ratings	A, A3, A

ODEC Members Service Territory



ODEC's Focus

We serve our Members in the mid-Atlantic region by providing a reliable, environmentally-balanced power supply at the lowest possible cost by safely generating electricity, employing industry knowledge, optimizing resources, enhancing financial strength, and mitigating enterprise risk.

ODEC's Planning Process

- **Annual Budget supports setting of rates and strategic initiatives**
- **Mid-term planning process pursuant to a Board approved hedging policy**
- **Long-term planning process, similar to development of an integrated resource plan (IRP)**
 - ◆ **Forecast of system load requirements and market environment**
 - ◆ **Scenario analysis performed to establish plan options and range of outcomes to achieve lowest reasonable cost**
 - ◆ **Plan to meet requirements through a diverse portfolio of owned assets, short and long-term contracts, renewable resources and demand-side resources**
 - ◆ **Forecast of costs and rate impacts based on plan options**
 - ◆ **Plan and recommended initiatives based on this annual “snapshot” and are subject to change based on market and policy drivers**
- **ODEC Board has authority to approve annual budget and strategic direction/ initiatives recommended under the long-term planning process**